

Department of Revenue SMART Act Hearing

Joint Finance Committee
January 20, 2021



COLORADO
Department of Revenue



DOR Mission & Vision

OUR VISION

To empower businesses and individuals through quality customer service, innovation, and collaboration.

OUR MISSION

To become a trusted partner to every Coloradan, to help them navigate the complexities of government so they can thrive.

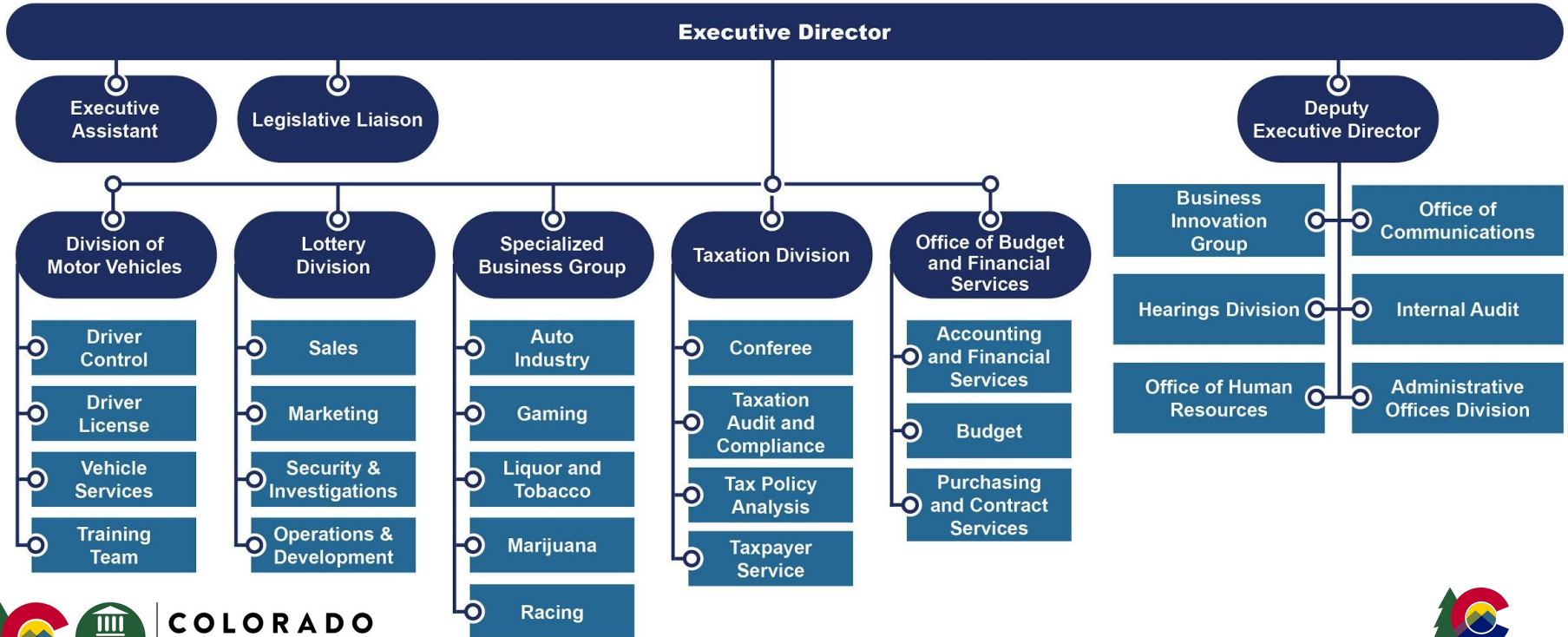
OUR MOTTO

Always Help!

DOR Organizational Chart



DOR Organizational Chart



DOR FY 2020-21 Wildly Important Goals (WIGs)

Bold Service

Drive transformational improvements of business processes, systems and policies to increase effectiveness and create a long lasting culture of innovation.



Fiscal Stewardship

Ensure highest levels of customer service with balanced fiscal responsibility to Coloradans.



DOR FY 2020-21 Wildly Important Goals (WIGs)

At the foundation of our WIGs is the driving force to
MEET OUR CUSTOMERS WHERE THEY ARE.

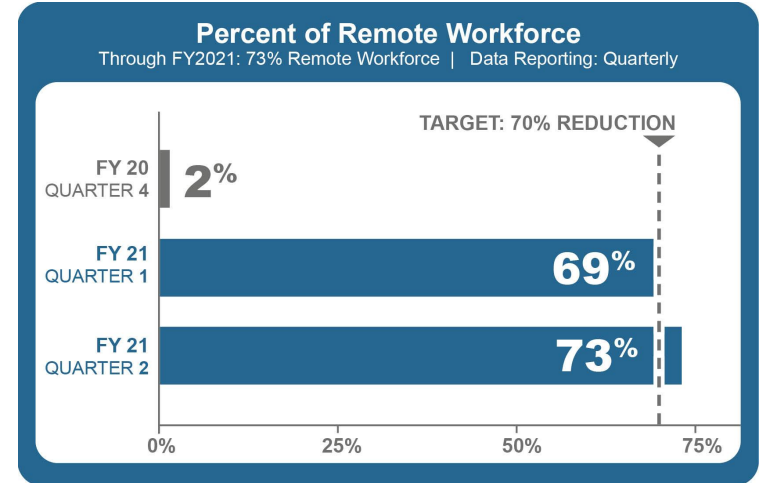


DOR FY 2020-21 Wildly Important Goals (WIGs)

Executive Director's Office (EDO)

Go from a measured baseline in 2020, estimated to be less than 2%, to achieving over 70% of a primarily remote workforce by June 30, 2021.

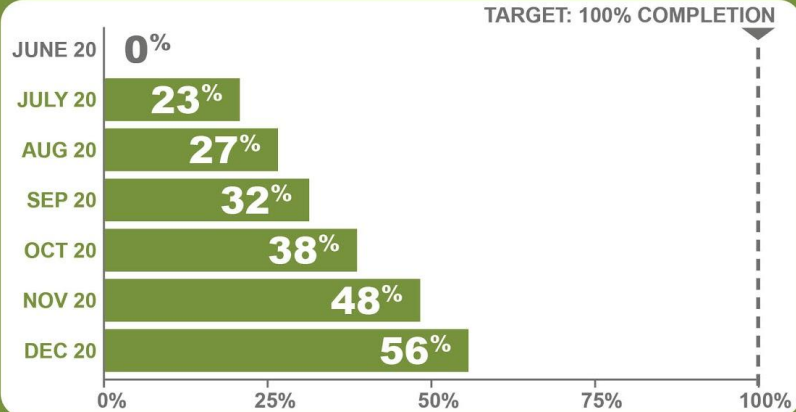
Successful completion of this goal will reduce department operational costs, increase job opportunities for rural Colorado, reduce physical footprint and become Employer of Choice.



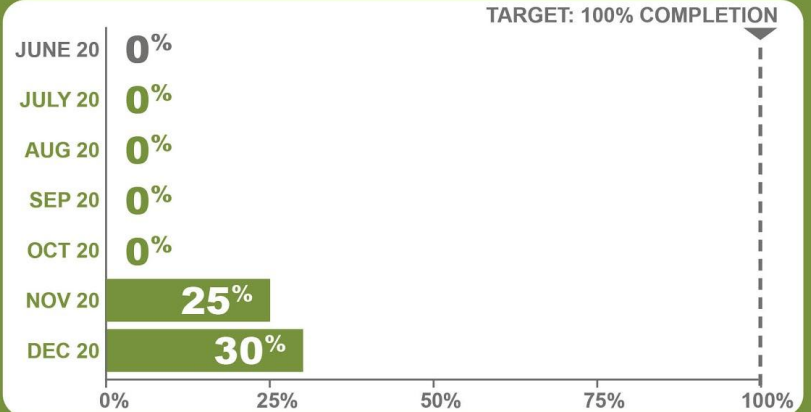
DOR FY 2020-21 Wildly Important Goals (WIGs)

Executive Director's Office (EDO)

Identify and implement tools to allow a remote workforce to be effective (e.g. softphones, digital signature).



Develop new Key Performance Indicators (KPIs) in order to manage a remote workforce.

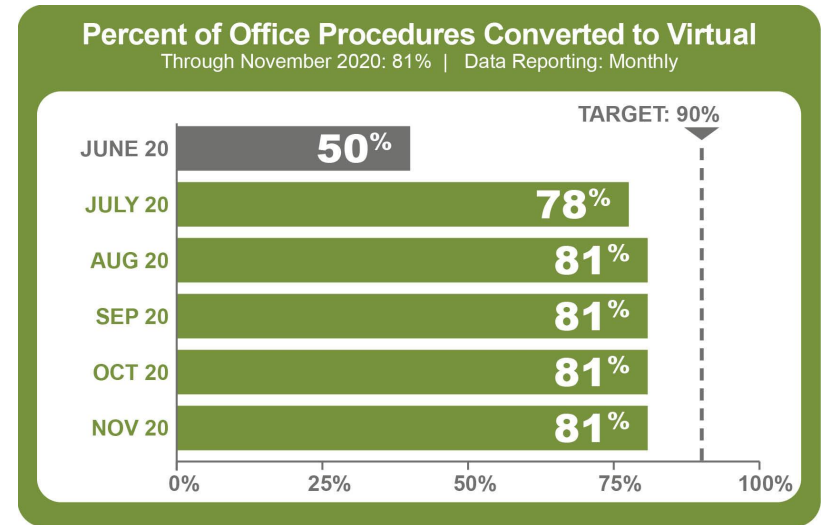


DOR FY 2020-21 Wildly Important Goals (WIGs)

Executive Director's Office (EDO)

Move EDO Procedures (all except mail service) to a virtual process, from a measured baseline in 2020, to at least 90% by June 30, 2021.

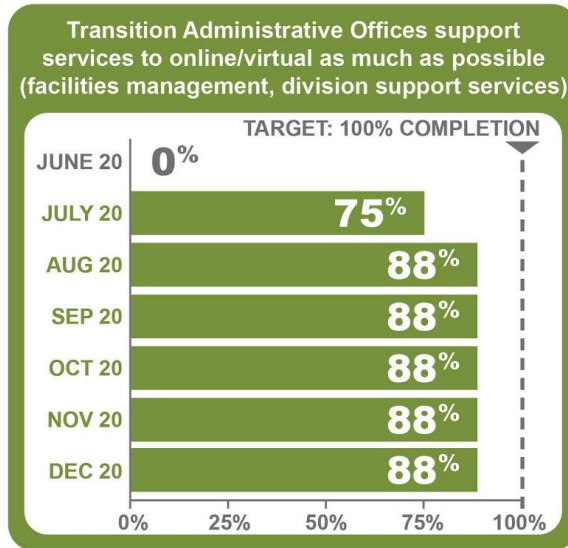
Successful completion of this goal will foster a culture of innovation which uses technology to drive transformational improvements in business processes, systems and policies across all divisions to increase both the effectiveness and efficiency of DOR services to ultimately benefit the people of Colorado with less cost.



How DOR will accomplish Executive Director's Office WIGs:

Move EDO Procedures (all except mail service) to a virtual process, from a measured baseline in 2020, to at least 90% by June 30, 2021.

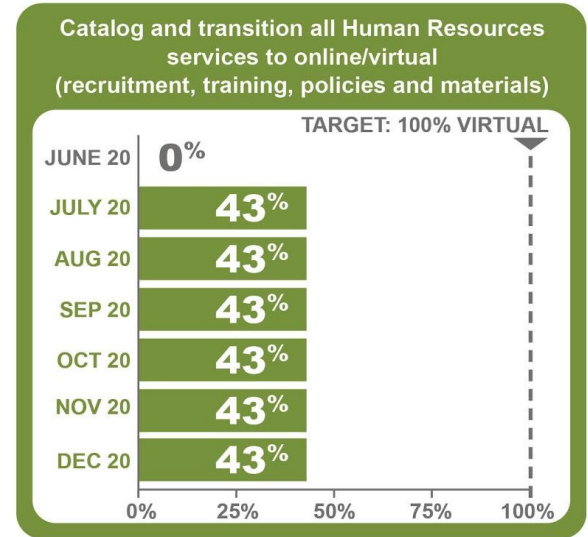
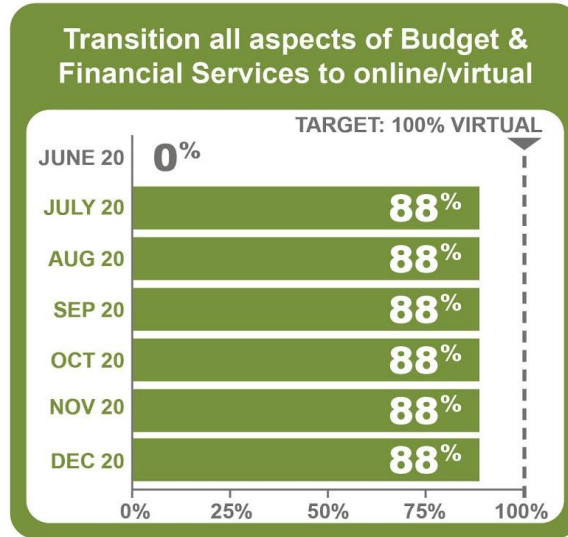
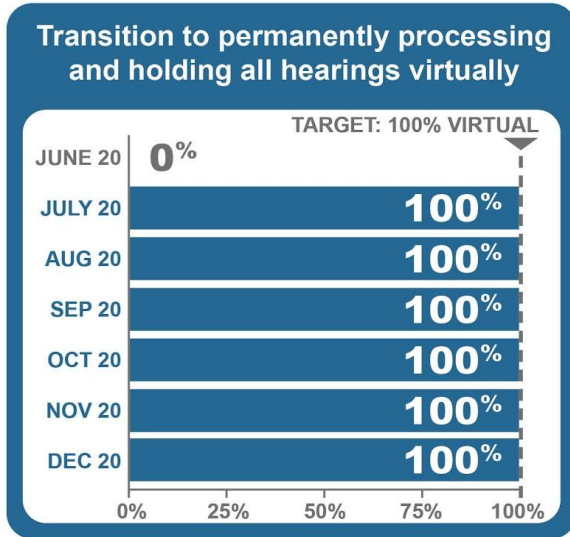
PERCENT OF COMPLETION:



How DOR will accomplish Executive Director's Office WIGs:

Move EDO Procedures (all except mail service) to a virtual process, from a measured baseline in 2020, to at least 90% by June 30, 2021.

PERCENT VIRTUAL:



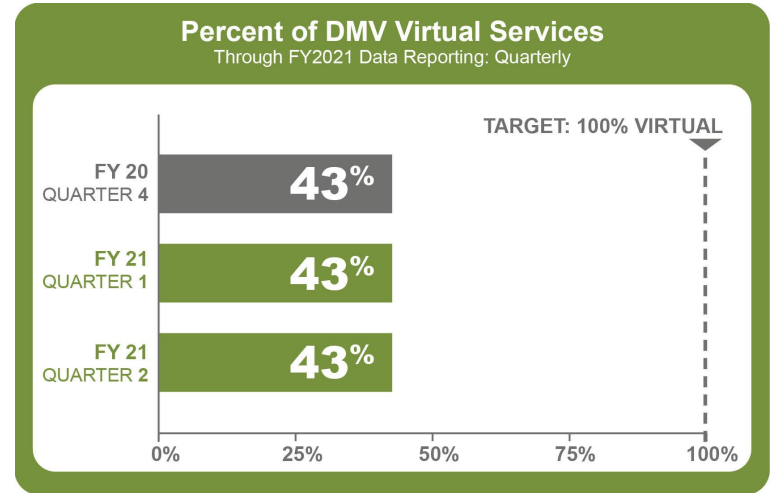
DOR FY 2020-21 Wildly Important Goals (WIGs)

Division of Motor Vehicles (DMV)

Achieve 100% of services available online or virtually by June 30, 2021 from a baseline of 43% (40 of 94) to better serve all Coloradans through the utilization of technology.

Successful completion of this goal will benefit the Coloradans we serve by making more online / virtual services available without traveling to an office.

Stretch goal to challenge technology partners to look to the future now!

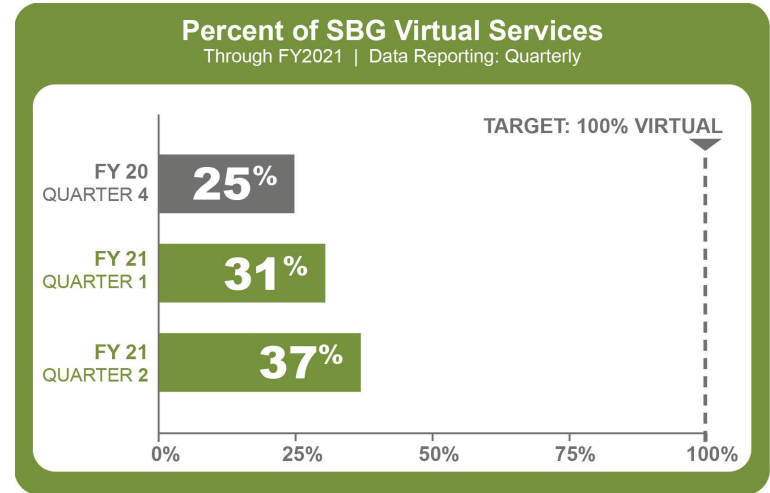


DOR FY 2020-21 Wildly Important Goals (WIGs)

Specialized Business Group (SBG)

Achieve 100% of services available online or virtually by June 30, 2021 from a baseline of less than 25% to better serve all Coloradans through the utilization of technology.

Successful completion of this goal will benefit the Coloradans we serve by promoting safe avenues to seek the services provided without a decrease in customer satisfaction.

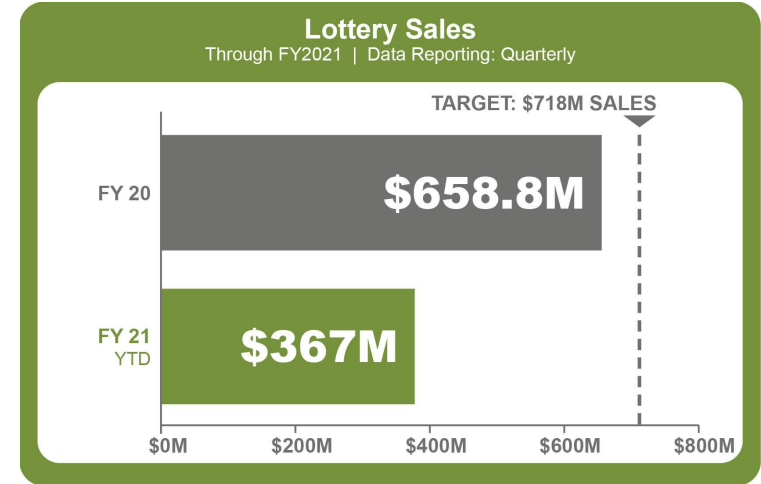


DOR FY 2020-21 Wildly Important Goals (WIGs)

Lottery Division

Achieve a 9% increase in sales by June 30, 2021 from a baseline of \$658.8 million to \$718 million.

Successful completion of this goal will increase revenue for our proceed partners as well as set the trajectory for achieving the goal of becoming a \$1 Billion Lottery in FY23 to increase proceeds for the beneficiaries.

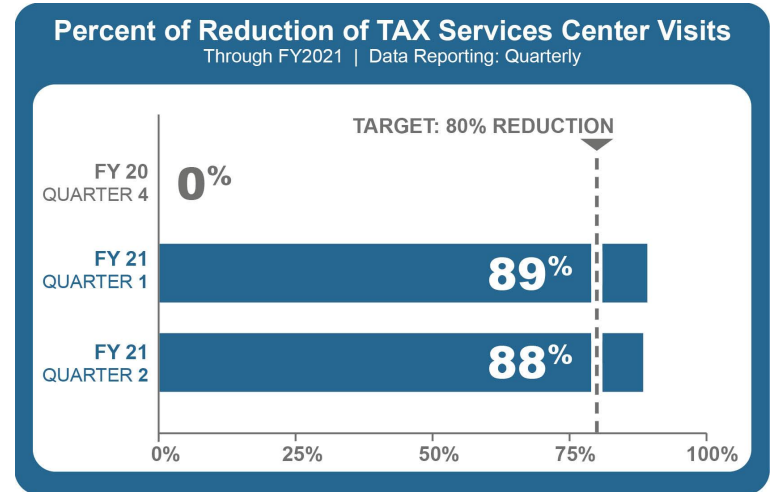


DOR FY 2020-21 Wildly Important Goals (WIGs)

Taxation Division

Achieve an 80% reduction of service center visits by June 30, 2021 from a baseline of 32,846 to better serve all Coloradans through the utilization of technology.

Successful completion of this goal will benefit the Coloradans we serve by promoting safe avenues to seek the services provided without a decrease in customer satisfaction.



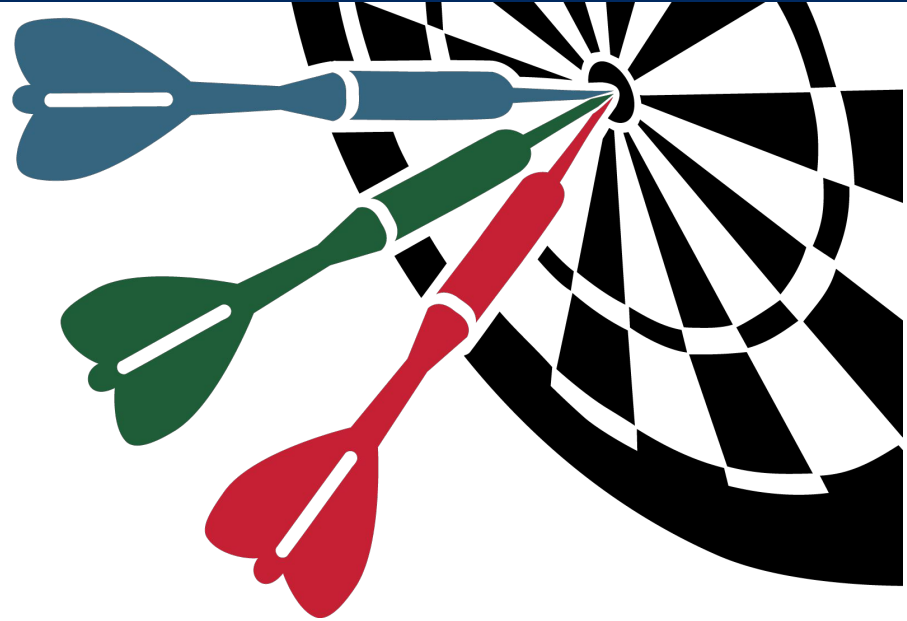
More information

To view monthly updates on Wildly Important Goals and corresponding lead measures, please visit the [Governor's Dashboard](#).

For more information on additional CDOR goals, view our FY 2020-21 Performance Plan at: operations.colorado.gov/performance-management/department-performance-plans

Performance Management

- The performance plan is a **LIVING DOCUMENT** to set objectives and measure progress throughout the year
 - Created through a series of interactive stakeholder sessions with all members of the Executive Management Team, program managers and division staff to incorporate all aspects of the work of the Department and its four divisions.
- Goals are tracked monthly and reported to the Governor's Office quarterly



Performance Management Principles

- A results-focus permeates strategies, processes, the organization culture, and decisions.
- Information, measures, goals, priorities, and activities are relevant to the priorities and well-being of the State of Colorado.
- Information related to performance, decisions, regulations, and processes is transparent, i.e., easy to access, use, and understand.
- Goals, programs, activities, and resources are aligned with priorities and desired results.
- Decisions and processes are driven by timely, accurate, and meaningful data.
- Practices are sustainable over time and across organizational changes.
- Performance management transforms the organization, its management, and the policy-making process.

Performance Management

Weaving WIGs into Individual Performance

- DOR launched a new Performance Management Plan for employees
 - Updated and revised evaluation form
 - Individual core competencies for supervisors
 - Separate supervisor performance plan outlining supervisory expectations
- Always Help
 - Customer Service Feedback to drive service delivery

Tell Us How We Are Doing

We value your feedback. Please use this form to tell us about the service you received, whether you saw us in an office, called, or used our online services.

 Submit Customer Service Feedback

Performance Management

DMV Digital Transformation Concept

Moving from Brick and Mortar

- Focus has been on improving customer experience in offices
- Online services, kiosks, and myColo app helped reduce demand in offices and a convenience to users

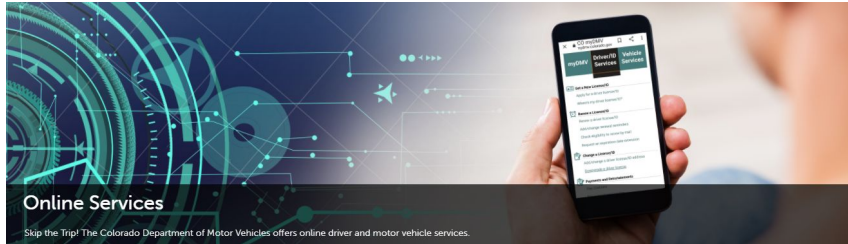
Moving to Digital Convenience

- Focus will change making online and virtual services the primary delivery method for DMV services and in-person transactions becoming secondary
- Increasing number of online services is the next step in the transition to the new concept



Performance Management

- R-08 DMV Digital Transformation Items:
 - Item 1 - Increase Services on Kiosks
 - Item 2 - Call Center Technology Upgrade
 - Item 3 - Third Party Electronic T&R
 - Item 4 - Online Service Marketing Campaign
 - Item 5 - Mobile DLO Program



Department of Revenue FY 2021-22 Budget Requests

Department of Revenue's FY 2021-22 Budget Request includes the following:

- R-01 Lottery Reimagined For Beneficiaries
- R-02 Sales and Use Tax Simplification System Support and Maintenance
- R-03 Information Technology Management Reorganization
- R-04 Savings from Adopting Virtual Government - EDO/Hearings
- R-05 Align Spending With Revenue at DMV
- R-06 Align Spending with Revenue at Specialized Business Group
- R-07 Budget Savings - Taxation Business Group

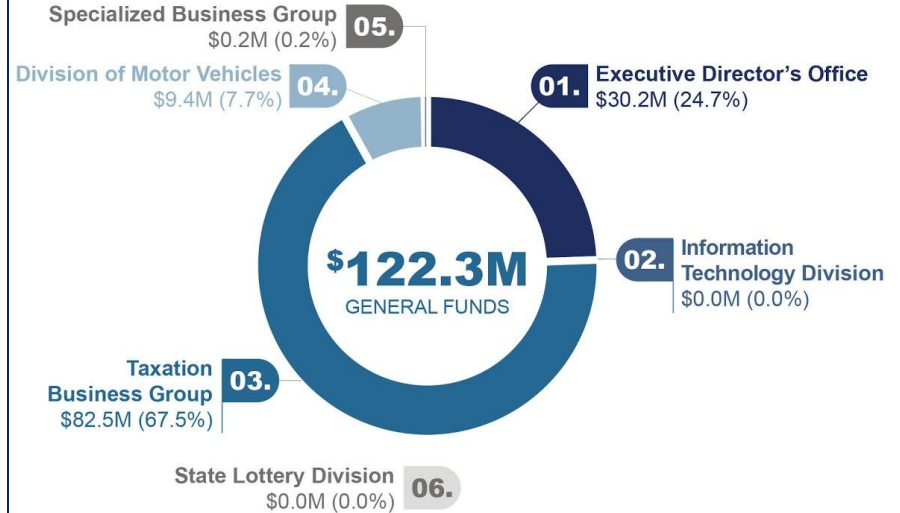
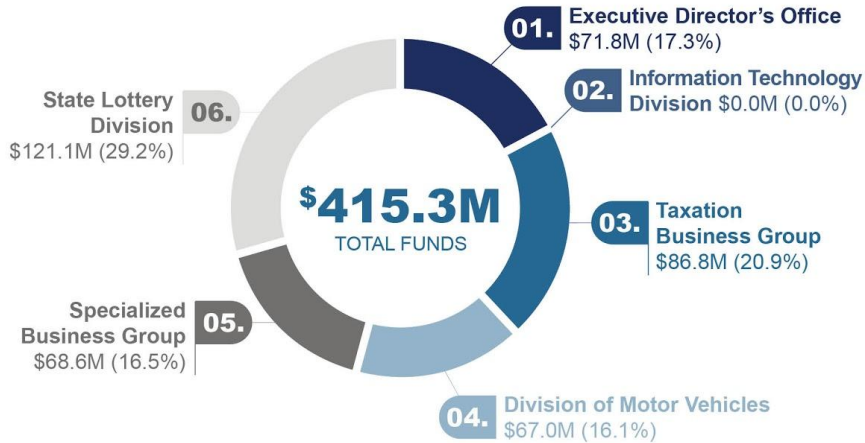
Department of Revenue's request also includes the following fiscal stimulus items:

- R-08 DMV Digital Transformation

Department of Revenue FY 2021-22 Budget Request

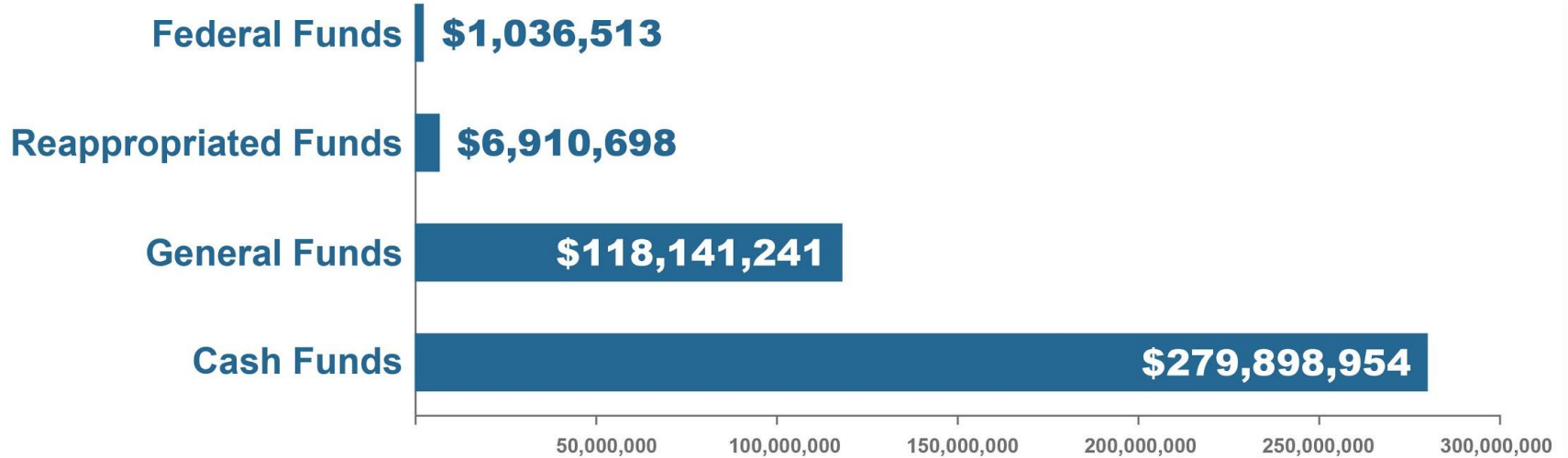
FY 2021-22 Budget Snapshot

FY 2021-22 Total Funds: \$415.3M | FY 2021-22 General Fund: \$122.3M | FY 2021-22 FTE: 1,597



Long Bill Appropriation by Fund Type

Total Funds: \$405,987,406
1,573.9 FTE



Legislative Agenda

01.

TAX:

Streamline fuel excise tax to first point of transfer

02.

TAX & DMV:

P.O.S.T. Board certification for motor vehicle criminal investigators and criminal tax enforcement special agents

03.

DMV:

Allow people 65 and older to renew their driver's license online

04.

SBG/MED:

Reinstate ability for cannabis businesses to co-locate recreational and medicinal sales

Regulatory Agenda Available [Here](#)

RULEMAKING PRINCIPLES

- **DEFENSIBLE**
Rules grounded in statute.
- **TRANSPARENT**
Clearly articulate expectations.
- **SYSTEMATIC**
Leverage technology and apply consistently.
- **COLLABORATIVE**
Work with Stakeholders.
- **OPERABLE**
Consistent with business practices and least restrictive while still protecting the public.

Remote Work

In response to COVID-19, DOR has completed a comprehensive review of its programs and staff to identify where short-term remote work is appropriate. Currently, DOR has:

- 73% of employees working remotely
- Moving support services digital/online (access control, HR records, Time & Leave)
- Designated hotelling space in offices

Equity, Diversity, and Inclusion

In accordance with the Governor's Executive Order [2020 175](#), the Department has prepared a plan to improve equity, diversity, and inclusion, including efforts to:

- A broad DOR EDI strategic plan has been developed with these focus areas:
 - Community Engagement
 - Accountability
 - Staffing/Retention
 - Training/Awareness Communication
 - Employee Engagement/Feedback
 - Budget/Procurement
 - Accessibility
 - Policy

Equity, Diversity, and Inclusion, Continued

The current DOR Strategic Plan emphasizes action items such as:

- **Employee Engagement/Feedback:**
 - Identify gaps through employee feedback
- **Accountability:**
 - EDI Hotline
 - Host Skip-Level meetings
- **Staffing/Retention:**
 - Coach hiring managers
- **Community Engagement:**
 - Engage industry and community stakeholders with recruitment and licensing practices.
- **Communication:**
 - Translating forms and procedures in other languages
 - Simplifying context/instructions

Cannabis Cabinet WIGs

- Increase equity and diversity in the cannabis industry by completing four major initiatives:
 - Increase minority and women ownership by 10% [from 191 minority and 375 women owners to 210 minority and 413 women owners];
 - Establish a cannabis industry technical assistance program for members of underrepresented communities;
 - Establish a workgroup to evaluate and develop a strategic plan to address criminal history disclosure requirements for licensing and expungement or sealing of records

Social Equity in Cannabis - Accelerator Program

- Allows individuals who may have faced barriers to entry in Colorado's retail (adult-use) regulated marijuana industry to own and operate a marijuana business license as part of an agreed-upon partnership with an existing marijuana business that has been endorsed by the MED as an "Accelerator-Endorsed Licensee."
- An Accelerator-Endorsed Licensee serves as the "host" in the accelerator program by providing capital and/or technical support to a Social Equity Licensee and allowing the Social Equity Licensee to operate as an Accelerator Store, Accelerator Manufacturer and Accelerator Cultivator on the same Licensed Premises or on a separate Licensed Premises provided by the Accelerator-Endorsed Licensee.

Town Halls: Social Equity and Delivery

TOWN HALLS: UNDERSTANDING SOCIAL EQUITY & DELIVERY

Hosted by the Colorado Marijuana Enforcement Division
Open to the Public. All are Welcome!

Please RSVP at <https://forms.gle/UnGCR63ct8avY1Mw7> to receive the Zoom meeting information. You can register for either Town Hall (or both) at this link. We hope to see you.

Town Hall: Understanding Colorado's Social Equity Program

January 27, 2021 | 10:30 AM to 12:00 PM

Join us for a collaborative forum to help marijuana stakeholders understand the new social equity program. You'll have a chance to walk through the licensing process and learn more about the tools available to you.

Proposed Agenda: (subject to change)

- Marijuana licensing overview
- Social equity program overview
 - What is an accelerator endorsement holder?
 - What is a social equity applicant?
- What tools are available to me?
- Why should I host an Accelerator Licensee?
- Local jurisdiction options
- Open Q&A



COLORADO
Department of Revenue

Town Hall: What Licensees Need to Know: Delivery

February 11, 2021 | 10:30 AM to 12:00 PM

Join us for a collaborative forum to help marijuana stakeholders understand how to secure a delivery permit. The licensing process will be highlighted, with a special focus on social equity applicants.

Proposed Agenda: (subject to change)

- Delivery permit application overview
- Delivery rules overview
- Answers to your most pressing delivery questions
- Important reminders
- Open Q&A



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www.colorado.gov/revenue
Follow DOR on social media:**



@CO_Revenue



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